

## “From the American People”: the US Farm Bill and the reform of emergency food aid



On Nov 8, 2013, Typhoon Haiyan made landfall in the Philippines. Winds of up to 235 km/h cut through the province of Eastern Samar as the storm progressed westwards and further towards the centre of the island archipelago.<sup>1</sup> In the immediate aftermath of the storm, a myriad of humanitarian stakeholders scrambled to provide basic services including health care, shelter, and food to the affected population. A month later the devastation caused by the typhoon gave the Food and Agriculture Organization (FAO) of the UN reason to add the Philippines to its database of 33 countries requiring external food assistance.<sup>2</sup>

Meeting nutritional needs is a priority in times of humanitarian crisis. Both natural disasters and conflict place substantial strain on existing markets as supply chains are broken, agricultural production is affected, and the price of basic commodities rises. Consequential displacement can further separate communities from markets and established livelihoods. In such circumstances, the provision of emergency food aid can help to alleviate immediate food insecurity.

As delays, including widespread infrastructural damage, continued poor weather conditions, and the inaccessibility of many small islands, hindered the humanitarian response in the Philippines in the first weeks, US legislators negotiated changes that had the potential to expedite the provision of emergency food aid in times of humanitarian crisis.

The USA is the largest supplier of food aid worldwide, providing more than 50% of all global contributions with a \$2 billion annual programme.<sup>3</sup> However, outgoing legislation dictates that roughly 80% of US food aid must be sourced from US growers, with an additional cargo preference constraint requiring that up to 50% of food aid must be transported by US-flag vessels.<sup>4</sup>

A recent comparison of US transoceanic and locally procured food aid identified that local procurement schemes were quicker by almost 14 weeks.<sup>5</sup> Local procurement was deemed universally more cost effective for cereals by 53% on average, although the cost comparison for other commodities such as cooking oil and corn-soya blend generally favoured US-sourced transoceanic shipments.<sup>5</sup> The same results are further

supported by an independent evaluation of a 5-year pilot study undertaken by the US Department of Agriculture, which investigated the potential benefit of local procurement policies.<sup>6</sup> Further surveys done in Burkina Faso, Guatemala, and Zambia showed that locally procured food aid is often more culturally appropriate and associated with greater recipient satisfaction.<sup>7</sup>

Procurement restrictions further hinder the ability of USAID and its partner agencies to make use of innovative financing mechanisms, which have shown promise in a number of settings. In 2013, the World Food Programme (WFP), in collaboration with MasterCard, established an e-card scheme, which gives Syrian refugees increased access to local markets and a degree of autonomy over their food purchases. How this programme has affected nutritional indicators remains to be seen, nevertheless the WFP estimates that in 2013 local economies in Lebanon, Jordan, Turkey, Iraq, and Egypt benefited from an additional \$192 million as a result of e-card transactions.<sup>8</sup>

With the support of several international non-governmental organisations, the current US administration recently proposed substantial changes, which would largely delink food aid from domestic agricultural and shipping industries through the transfer of an additional \$1.1 billion to the International Disaster Assistance fund.<sup>9</sup> The present fund is managed by USAID and engages innovative financing mechanisms including the local and regional procurement of food, and the provision of cash transfers and food vouchers, to promote food security in times of humanitarian crisis.

Despite the urgent need for operational flexibility and responsiveness in times of humanitarian crisis, the administration's changes failed to muster enough cross-party support. Instead, the Congressional Agriculture Conference voted for a modest \$80 million annual rise in unrestricted funding and the identification of additional sites for prepositioned commodities.<sup>10</sup> Although these changes clearly represent a positive step forward, at present, the scale of need far outweighs the available unrestricted financial support; almost all funding allotted to local procurement and cash transfers was dispensed to Syria and neighbouring countries in 2013.<sup>11</sup>

Congress largely dismissed the findings of previous statutorily commissioned studies by emphasising that earlier cost–time comparisons did not evaluate the effect of prepositioned food aid. Further concerns were raised about the potential negative effect of local and regional procurement on local markets, although economic analysis completed by teams evaluating 20 local and regional procurement projects noted that this was unlikely in most cases.<sup>6</sup>

The combined domestic agriculture and maritime lobbies are known to have reacted strongly against the proposed progressive food aid reforms, and in favour of the existing system, which supports their members. Another 5 years will now pass before the House and Senate must reconvene to modify and reauthorise the provisions outlined in the latest Farm Bill. To reach communities affected by crisis in a timely and efficient manner, it is imperative that legislators take further steps to prioritise population needs over industry pressure.

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I declare that I have no competing interests.

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